

Ellsworth
PRESS STATEMENT

14 MAY 1976

THE SECRETARY, MR. CLEMENTS, AND I HAVE DECIDED ON A NUMBER OF REALIGNMENTS IN THE OPERATING AND MANAGEMENT STRUCTURE FOR DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES.

OUR DECISION REFLECTS THE CONVICTION THAT CHANGES ARE NEEDED IN THREE MAJOR AREAS:

-- FIRST, WE MUST HAVE ADEQUATE CONTROLS TO INSURE THAT ALL OF OUR INTELLIGENCE ACTIVITIES ARE FUNCTIONING LEGALLY AND PROPERLY AND ARE IN FULL COMPLIANCE WITH THE PROVISIONS OF THE PRESIDENT'S EXECUTIVE ORDER.

-- SECOND, WE MUST IMPROVE BOTH THE RESPONSIVENESS OF THE INTELLIGENCE PRODUCT TO ITS USERS, AND THE QUALITY OF THAT PRODUCT.

-- AND THIRD, WE MUST STRENGTHEN OUR MANAGEMENT ARRANGEMENTS OVER DEFENSE INTELLIGENCE ACTIVITIES BY PROVIDING CLEAR LINES OF AUTHORITY FROM THE SECRETARY TO ALL OF THE MAJOR INTELLIGENCE ACTIVITIES UNDER HIS CONTROL. THIS IS PARTICULARLY IMPORTANT IN ORDER TO BRING INTELLIGENCE MANAGEMENT IN DEFENSE INTO LINE WITH THE STRENGTHENED ARRANGEMENTS FOR MANAGEMENT OF ALL U.S. INTELLIGENCE WHICH WERE RECENTLY ESTABLISHED BY THE PRESIDENT IN EXECUTIVE ORDER 11905, ISSUED ON 18 FEBRUARY 1976.

ACCORDINGLY, WITH THE AGREEMENT OF THE CHAIRMAN, JOINT CHIEFS OF STAFF, WE WILL TAKE THE FOLLOWING ACTIONS IN EACH OF THESE AREAS:

IN ORDER TO ASSURE THE COMPLETE LEGALITY AND PROPRIETY OF DEFENSE INTELLIGENCE ACTIVITIES WE WILL ESTABLISH AN INDEPENDENT INSPECTOR GENERAL FOR INTELLIGENCE WHO WILL REPORT DIRECTLY TO ME. HE WILL ALSO WORK CLOSELY WITH THE PRESIDENT'S NEW INTELLIGENCE OVERSIGHT BOARD AND WITH OTHER INSPECTION AND AUDIT AUTHORITIES WITHIN THE DEPARTMENT OF DEFENSE, BUT I WILL EXPECT HIM TO MAINTAIN AND VIGOROUSLY EXERCISE AN INDEPENDENT INSPECTION OVERSIGHT EFFORT OF HIS OWN TO INSURE THAT WE HAVE THE FULLEST SCRUTINY OVER ALL OF OUR INTELLIGENCE OPERATIONS.

NEXT: THE KEY FACTOR IN MAKING INTELLIGENCE MOST RESPONSIVE TO ITS USERS IS THE EFFECTIVENESS WITH WHICH THE USERS CAN SPECIFY AND EXPLAIN THEIR NEEDS TO THE INTELLIGENCE PRODUCERS AND COLLECTORS. IN THE PAST, WE HAVE NOT WORKED HARD ENOUGH TO INSURE THAT THIS EFFECTIVE COMMUNICATION EXISTS. TO CURE THIS DEFECT WE ARE ESTABLISHING, ON A SIX-MONTH TRIAL BASIS, A DEFENSE INTELLIGENCE BOARD, COMPOSED OF SENIOR USERS, INTELLIGENCE PRODUCERS AND INTELLIGENCE OPERATIONS PLANNERS. THE BOARD WILL PROVIDE A FORUM FOR COMMUNICATING USER NEEDS TO INTELLIGENCE OFFICERS, FOR ADVISING THE SECRETARY AND ME ON MAJOR INTELLIGENCE POLICY, AND FOR RESOLVING AND -- WHERE APPROPRIATE -- ACTING ON URGENT INTELLIGENCE PROBLEMS. THE SECRETARY AND I WILL USE THE DEFENSE INTELLIGENCE BOARD AS OUR PRIMARY MEANS OF TRANSLATING USER NEEDS INTO INTELLIGENCE

OPERATIONS, ASSESSING THE EFFECTIVENESS OF THE INTELLIGENCE RESPONSE, AND DETERMINING HOW TO IMPROVE THAT RESPONSE. WE WILL LOOK FOR AND EXPECT THE BOARD TO PRODUCE MARKED IMPROVEMENTS IN COMMUNICATION OF USER NEEDS, IN THE WORKING RELATIONSHIPS BETWEEN USERS AND INTELLIGENCE,^{produces} AND IN THE ABILITY OF INTELLIGENCE^{produces} TO ANSWER WHAT IT IS THE USER REALLY NEEDS TO KNOW.

WE ARE ALSO GOING TO MAKE SEVERAL SIGNIFICANT REALIGNMENTS IN OUR SENIOR MANAGEMENT AND OPERATING STRUCTURE.

IN THE PAST TWENTY-FIVE YEARS WE HAVE SUCCESSIVELY ADDED THE NATIONAL SECURITY AGENCY, THE DEFENSE INTELLIGENCE AGENCY, AND THE ASSISTANT SECRETARY OF DEFENSE FOR INTELLIGENCE TO THE DEFENSE DEPARTMENT. EACH OF THESE ACTIONS WAS HANDLED AS AN INDIVIDUAL, AD HOC, ACTION, WITH THE RESULT THAT EACH ACTIVITY -- NSA, DIA, AND THE ASD(I) -- WAS PUT INTO A DIFFERENT MANAGEMENT RELATIONSHIP WITH THE SECRETARY.

THE CUMULATIVE EFFECT HAS BEEN TO CREATE AMBIGUITIES AND OVERLAPS OF RESPONSIBILITY AND AUTHORITY, AND ALSO TO FORCE THE SECRETARY AND THE DEPUTY SECRETARY TO ACT AS THE ONLY POLICY AND MANAGEMENT FOCAL POINT AT WHICH THESE INTIMATELY INTERRELATED ACTIVITIES COULD BE BROUGHT TOGETHER. THE SECRETARY AND THE DEPUTY SECRETARY HAVE HAD TO DEVOTE TOO MUCH TIME TO DIRECTION AND CONTROL OF INTELLIGENCE ACTIVITIES AT A LEVEL OF DETAIL GREATER THAN THAT WHICH THEY SHOULD BE ASKED TO ADDRESS. A REMEDY IS CLEARLY CALLED FOR, AND THE PRESIDENT'S

ESTABLISHMENT OF THE NEW COMMITTEE ON FOREIGN INTELLIGENCE GIVES A FURTHER CAUSE TO RESTRUCTURE INTELLIGENCE MANAGEMENT ALONG STRONGER AND MORE COHERENT LINES.

TO THIS END, THE SECRETARY HAS ESTABLISHED THE FOLLOWING NEW ARRANGEMENTS.

I WILL CONTINUE TO MAINTAIN OVERALL COGNIZANCE OF DEFENSE INTELLIGENCE MATTERS ON HIS BEHALF. I AM DESIGNATING THE ASD(I) AS THE DIRECTOR OF DEFENSE INTELLIGENCE TO CARRY OUT THIS PORTION OF MY RESPONSIBILITIES. THE IMPORTANT CHANGE INVOLVED IN THIS DESIGNATION IS THAT THE ASD(I)/DIRECTOR OF DEFENSE INTELLIGENCE WILL NOT ONLY CONTINUE TO PROVIDE STAFF SUPPORT TO THE SECRETARY AND DEPUTY SECRETARY; HE WILL ALSO EXERCISE LINE AUTHORITY ON BEHALF OF THE SECRETARY AND MYSELF OVER DOD INTELLIGENCE ACTIVITIES EXCEPT AS WE DESIGNATE OTHERWISE.

I WOULD POINT OUT THAT THIS POSITION WHICH COMBINES LINE AUTHORITY AND STAFF ADVISORY FUNCTIONS FOR DOD INTELLIGENCE WAS RECOMMENDED BY THE BLUE RIBBON DEFENSE PANEL (OF WHICH DEPUTY SECRETARY CLEMENTS WAS A MEMBER) IN ITS 1970 REPORT. IN 1971, SECRETARY LAIRD ESTABLISHED THE POSITION OF ASD(I) AS A STAFF ADVISOR FOR THE MANAGEMENT OF DEFENSE INTELLIGENCE AND INTELLIGENCE RELATED PROGRAMS AND ACTIVITIES. NOW SECRETARY RUMSFELD IS PUTTING INTO EFFECT THE REMAINING HALF OF WHAT THE BLUE RIBBON DEFENSE PANEL RECOMMENDED FOR THIS POSITION, BY ESTABLISHING A DIRECTOR OF DEFENSE INTELLIGENCE (DDI), WHO WILL COMBINE NEW FUNCTIONS OF LINE AUTHORITY WITH

THE PREVIOUSLY ESTABLISHED STAFF FUNCTIONS.

THE NEW DIRECTOR OF DEFENSE INTELLIGENCE WILL HAVE AUTHORITY TO ACT FOR ME AND SECRETARY RUMSFELD FOR THE MANAGEMENT OF DEFENSE DEPARTMENT INTELLIGENCE AND INTELLIGENCE RELATED PROGRAMS AND ACTIVITIES, INCLUDING THE NATIONAL SECURITY AGENCY AND THE DEFENSE INTELLIGENCE AGENCY. THESE AGENCIES WILL REPORT TO THE SECRETARY AND TO ME THROUGH THE DDI, EXCEPT THAT IN THE CASE OF DIA, THE JOINT CHIEFS OF STAFF ON BEHALF OF THE SECRETARY OF DEFENSE WILL CONTINUE TO EXERCISE OPERATIONAL CONTROL OVER THAT AGENCY AND WILL BE RESPONSIBLE TO THE SECRETARY OF DEFENSE FOR THE ADEQUACY, TIMELINESS AND RESPONSIVENESS OF DIA SUPPORT TO THE INTELLIGENCE NEEDS OF THE JOINT CHIEFS OF STAFF AND THE UNIFIED AND SPECIFIED COMMANDS.

AS REGARDS NSA, THE DIRECTOR NSA WILL CONTINUE TO ACT, UNDER THE AUTHORITY AND CONTROL OF THE SECRETARY, AS THE MANAGER OF THE U.S. SIGNALS INTELLIGENCE SYSTEM. UNDER THE REORGANIZATION, HE WILL REPORT TO THE SECRETARY THROUGH THE ASD(I)/DDI, BUT THE AUTHORITIES AND RESPONSIBILITIES OF THE DIRECTOR, AS THE AGENT FOR THE SECRETARY OF DEFENSE, REMAIN UNCHANGED, SERVING THE SIGNALS INTELLIGENCE REQUIREMENTS OF THE ENTIRE GOVERNMENT.

THE DDI WILL HAVE A PRINCIPAL DEPUTY AS ALTER EGO, A SENIOR STAFF ASSISTANT FOR PERFORMANCE EVALUATION, AND TWO DEPUTIES -- A DEPUTY FOR PROGRAMS AND RESOURCES, AND A DEPUTY FOR INTELLIGENCE PRODUCTION, PLANS AND OPERATIONS.

THE DEPUTY DDI FOR PROGRAMS AND RESOURCES WILL PERFORM RESOURCE REVIEW FUNCTIONS ASSIGNED TO THE ASD(I), AND DoD-WIDE

POLICY MANAGEMENT FUNCTIONS.

THE DEPUTY DIRECTOR OF DEFENSE INTELLIGENCE FOR PRODUCTION, PLANS AND OPERATIONS, AS HIS TITLE SUGGESTS, WILL PLAN FOR AND MANAGE THE PRODUCTION OF FINISHED INTELLIGENCE TO SATISFY THE NEEDS OF ALL DoD USERS, AND HE WILL COORDINATE CURRENT OPERATIONS IN INTELLIGENCE COLLECTION, PROCESSING, AND SUPPORT NEEDED FOR DoD INTELLIGENCE ACTIVITIES TO RESPOND TO USERS. THIS OFFICIAL WILL BE DUAL-HATTED AND WILL ALSO SERVE AS THE DIRECTOR OF THE DEFENSE INTELLIGENCE AGENCY.

IN ORDER TO BETTER ACCOMMODATE THE PRODUCTION AND OPERATIONS MANAGEMENT RESPONSIBILITIES OF ITS DIRECTOR, THE DIA INTERNAL ORGANIZATION HAS BEEN RESTRUCTURED AND STREAMLINED INTO TWO MAJOR DIVISIONS -- ONE FOR PRODUCTION AND THE OTHER FOR PLANS, OPERATIONS AND SUPPORT. THIS NEW ORGANIZATION WILL EFFECTIVELY REDUCE THE DIRECTOR DIA's SPAN OF CONTROL FROM TWELVE ELEMENTS TO TWO, MAKING FOR A MUCH SIMPLER ORGANIZATION, CLOSELY FOCUSED ON INTELLIGENCE PRODUCTION AND THE COLLECTION, PLANS AND OPERATIONS NEEDED TO SUPPORT PRODUCTION. THE REORGANIZED DIA, UNDER ITS DIRECTOR, WILL WORK DIRECTLY WITH THE DEFENSE INTELLIGENCE BOARD, AND WILL BE RESPONSIBLE FOR TRANSLATING NEEDS STATED BY THE BOARD INTO TASKS FOR SATISFACTION OF THESE NEEDS, AND FOR THE ACCOMPLISHMENT OF THESE TASKS AS EFFECTIVE INTELLIGENCE RESPONSES.

A KEY FEATURE OF THE RESTRUCTURED DEFENSE INTELLIGENCE AGENCY WILL BE RETENTION OF DIA'S DEDICATED RESPONSIVENESS

TO THE JOINT CHIEFS OF STAFF. THE JCS WILL CONTINUE TO EXERCISE OPERATIONAL CONTROL OVER DIA FOR THE SPECIFIC PURPOSES OF OBTAINING THE INTELLIGENCE SUPPORT REQUIRED TO PERFORM THEIR STATUTORY AND ASSIGNED RESPONSIBILITIES AND OF INSURING THAT THE NECESSARY INTELLIGENCE SUPPORT IS AVAILABLE TO THE UNIFIED AND SPECIFIED COMMANDS.

BY THESE SEVERAL STEPS THE SECRETARY AND I BELIEVE THAT WE WILL HAVE ACCOMPLISHED OUR PURPOSE OF INSURING STRONG INSPECTION AGAINST ABUSES, IMPROVING PRODUCT RESPONSIVENESS BY BRINGING PRODUCER AND USER TOGETHER INTO REAL WORKING RELATIONSHIPS, AND BUILDING A MANAGEMENT STRUCTURE WHICH WILL ELIMINATE PREVIOUS OVERLAPS AND DISCONNECTS IN FAVOR OF CLEAR AND CLEAN RELATIONSHIPS, WHICH WILL NOT DEGRADE SUPPORT FOR ANY GROUP OF INTELLIGENCE USERS, AND WHICH WILL ENABLE THE SECRETARY AND THE DEPARTMENT OF DEFENSE TO BEST CARRY OUT THEIR INTELLIGENCE RESPONSIBILITIES UNDER THE OVERALL ORGANIZATION ESTABLISHED BY THE PRESIDENT.

THE SECRETARY AND I RECOGNIZE THE DEDICATION OF BOTH CIVILIAN AND MILITARY PERSONNEL WITHIN THE DEFENSE INTELLIGENCE SYSTEMS. WE ANTICIPATE THAT THE NEW ORGANIZATIONAL ARRANGEMENT I HAVE JUST DESCRIBED WILL ENHANCE CAREER PROGRESSION OPPORTUNITIES FOR OUR INTELLIGENCE PEOPLE, AS WELL AS IMPROVE THE OVERALL QUALITY AND RESPONSIVENESS OF DEFENSE INTELLIGENCE.

THANK YOU. I WOULD BE HAPPY TO ENTERTAIN ANY QUESTIONS.